



# City of Muscatine

ITEM NUMBER 2023-0105

## AGENDA ITEM SUMMARY

DATE: 3/16/2023

### STAFF

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April Limburg, City Planner

### SUBJECT

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A Resolution Declaring City Owned Real Estate as Surplus and Authorizing the Sale of Said Certain Real Estate by Sealed Bid Process

### EXECUTIVE SUMMARY

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Presented for Council consideration is a Resolution to declare city-owned property as surplus, and to authorize the sale of this property by a closed bid auction. The City of Muscatine currently owns two parcels of property on the northwest corner of the intersection of Hershey Avenue and Houser Street for which there is no proposed public use. Prior to the sale of city-owned property, the City Council must determine the property serves no public purpose and authorize the declaration of the property as surplus.

### STAFF RECOMMENDATION

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Staff recommends Council adopt the attached resolution to declare certain City-owned real estate as surplus.

### BACKGROUND/DISCUSSION

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The City of Muscatine has accumulated a number of parcels of land on which the continued public ownership of it no longer serves a useful purpose. In order to return these parcels to a useful purpose, restore them to the tax roll, and to reduce maintenance costs associated with maintenance of these parcels, the City Council must declare such parcels surplus.

The City currently owns two parcels at the intersection of Hershey Avenue and Houser Street, shown on Exhibit A, for which there is no identified public use. Once declared as surplus, these parcels will be sold by a closed bid process. Multiple parties have communicated an interest in purchasing the property. In the past, when multiple parties have been interested in a surplus parcel, or it was deemed likely that multiple parties would be interested in the parcel, a closed bid auction has been used for the disposal of the property.

In the closed bid auction process, interested parties will have the opportunity to submit a sealed bid by April 25, 2023. All bids received will be opened and starting with the lowest

bidder, each bidder will be given the opportunity to raise their bid to an amount which is higher than the current highest bid in increments of not less than \$1,000.00. This procedure will continue until the highest bid is obtained. Failure to bid in any given round will not prevent a party from reentering the bidding process at a later time. The highest bidder will be required to execute a purchase agreement, subject to City Council approval, which shall list the sale price, and provide a closing date.

Upon approval of a resolution declaring this property surplus, a notice of the sealed bid auction and the sale procedure will be published.

#### **CITY FINANCIAL IMPACT**

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In addition to any proceeds that may be gained from the sale of these parcels, the sale of these surplus properties would reduce maintenance costs associated with these parcels in the City. The sale of these parcels would make them and any improvements made on them subject to property tax, which would have a positive financial impact on the City.

#### **ATTACHMENTS**

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1. Hershey & Houser parcels
2. Resolution declare surplus - 1304200016 and 1304200021
3. Closed Bid Auction Notification
4. Bid procedures
5. Hershey & Houser Flyer

## Exhibit A

Muscatine County Property Tax Parcel Identification Numbers as follows:

1304200021



1304200016



**RESOLUTION NO. 2023-0105**

**A Resolution Declaring Certain Described Real Estate Owned By the City as Surplus and Authorizing the Sale of Said Certain Real Estate**

**WHEREAS**, as Resolution adopted by the City Council of Muscatine, Iowa, on February 18, 2021, does hereby deem the following real estate parcels, as surplus;

1304200021 (Corner of Hershey Avenue and Houser Street) and 1304200016 (Corner of Hershey Avenue and Houser Street)

**WHEREAS**, the City Administrator is hereby authorized and directed to take the necessary steps to offer the above described real estate for sale to be followed by appropriate action of the City Council as provided by law; and

**WHEREAS**, the Resolution provided for a public hearing on the proposed sale of real property and such public hearing has been held; and

**WHEREAS**, in accordance with said notice, those interested in said proposed conveyance, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council of the City of Muscatine, Iowa, at a public hearing held on March 16, 2023; and

**WHEREAS**, the City Council of Muscatine, does hereby declare to be surplus and that it is in the best interest of the public to dispose of the described real estate, in Muscatine, Iowa,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA**, that the resolution declaring certain real estate owned by the City surplus and authorizing the sale of said certain real estate is hereby approved

**PASSED, APPROVED AND ADOPTED this 16<sup>th</sup> day of March, 2023.**



**BY THE CITY COUNCIL OF THE  
CITY OF MUSCATINE, IOWA**

**Brad Bark, Mayor**

**Attest:**

Carol Webb (Mar 20, 2023 19:39 CDT)

**Carol Webb, City Clerk**



## **EXHIBIT A**

### **NOTICE OF INTENT TO DISPOSE OF CITY PROPERTY TO THE CITIZENS OF MUSCATINE, IOWA:**

You are hereby notified that the City Council of Muscatine, Iowa, intends to sell all rights, title and interest of the city in and to the following described real property, also known as Parcel 1304200016 (7.02 acres NE corner of Hershey Ave and Houser St) and 1304200021 (19.61 acres NE Corner of Hershey Ave and Houser St), in Muscatine, Iowa, to-wit:

**A tract of land in the Northeast Quarter of Section 4 and the Northwest Quarter Section of 3, Township 76 North, Range 2 West of the 5<sup>th</sup> P.M., in Muscatine County, Iowa, more particularly described as follows:**

**Commencing at the Southeast corner of the Northeast Quarter of said Section 4; thence North 89°33'21" East 40.00 feet to the Easterly right-of-way line of Houser Street; thence North 00°03'27" West 620.83 feet along said Easterly right-of-way line; thence North 84°43'00" East 141.77 feet; thence North 00°19'00" West 334.03 feet to the center line of Hershey Avenue; said point being the beginning of a 572.96 foot radius nontangent curve concave Southerly whose chord bears North 82°35'36" West 227.51 feet; thence Northwesterly right-of-way line of Houser Street and the Point of Beginning of the tract herein described, said point being the beginning of a 572.96 foot radius nontangent curve concave Southerly whose chord bears South 85°17'48" West 13.50 feet; thence Southwesterly along said center line an arc distance of 13.50 feet; thence South 84°36'20" West 441.93 feet along said center line to the intersection of the extension of an existing fence line; thence North 00°19'20" West 661.45 feet along said existing fence line; thence South 81°08'12" East 640.79 feet along said fence to the Westerly right-of-way line of Houser Street; thence South 35°43'09" West 71.88 feet along said Westerly right-of-way to the beginning of a 714.07 foot radius tangent curve concave Easterly whose chord bears South 17°39'40" West 442.69 feet; thence Southwesterly along said Westerly right-of-way curve an arc distance of 450.10 feet; thence South 00°23'49" East 39.87 feet to the center line of Hershey Avenue and the Point of the Beginning, said tract contains 6.988 acres**

And

**A tract of land lying in the Northwest Quarter of the Northwest Quarter of Section 3, and the Northeast Quarter of the Northeast Quarter of Section 4, all in Township 76 North, Range 2, West of the 5<sup>th</sup> Principal Meridian, in Muscatine County, Iowa described as follows:**

**Beginning at the Northwest corner of said Section 3; thence West 495 feet; thence South 1023.5 feet; thence South 89°49' East 755 feet; thence North 76°51' East 303.5 feet; thence South 74°9' East 804.8 feet; thence North 1294.8 feet to section line; hence West 1320 feet to the place of beginning, containing 47.13 acres, more or less. Except part thereof conveyed to City of Muscatine, Iowa by Warranty Deed recorded in Book 246 of Lots, page 736, of the records in the Office of the Recorder of Muscatine, County, Iowa.**

The sale will be conducted via a closed bid auction commencing at 10:00 A.M. on April 25, 2023 in the first-floor conference room in City Hall, 215 Sycamore Street, Muscatine, Iowa 52761. Copies of the sale procedures may be obtained in the Community Development Office, City Hall, and 215 Sycamore Street, Muscatine, Iowa 52761 or on the City's website at [muscatineiowa.gov](http://muscatineiowa.gov).

You are further notified that oral or written statements in support of, or in opposition to, this proposed sale may be made at the public hearing before city council to be held at 6:00 P.M. on May 4, 2023, in the Council Chambers in City Hall, 215 Sycamore Street, Muscatine, Iowa.

Carol Webb, City Clerk

**CITY OF MUSCAITNE, IOWA  
PUBLIC PROPERTY FOR SALE**

**AUCTION DATE:** April 25, 2023 10:00 A.M.  
**LOCATION:** FIRST FLOOR CONFERENCE ROOM  
CITY HALL – 215 SYCARMORE STREET  
MUSCATINE, IA 52761

**DESCRIPTION OF PROPERTY:**

A tract of land in the Northeast Quarter of Section 4 and the Northwest Quarter Section of 3, Township 76 North, Range 2 West of the 5<sup>th</sup> P.M., in Muscatine County, Iowa, more particularly described as follows:

Commencing at the Southeast corner of the Northeast Quarter of said Section 4; thence North 89°33'21" East 40.00 feet to the Easterly right-of-way line of Houser Street; thence North 00°03'27" West 620.83 feet along said Easterly right-of-way line; thence North 84°43'00" East 141.77 feet; thence North 00°19'00" West 334.03 feet to the center line of Hershey Avenue; said point being the beginning of a 572.96 foot radius nontangent curve concave Southerly whose chord bears North 82°35'36" West 227.51 feet; thence Northwesterly right-of-way line of Houser Street and the Point of Beginning of the tract herein described, said point being the beginning of a 572.96 foot radius nontangent curve concave Southerly whose chord bears South 85°17'48" West 13.50 feet; thence Southwesterly along said center line an arc distance of 13.50 feet; thence South 84°36'20" West 441.93 feet along said center line to the intersection of the extension of an existing fence line; thence North 00°19'20" West 661.45 feet along said existing fence line; thence South 81°08'12" East 640.79 feet along said fence to the Westerly right-of-way line of Houser Street; thence South 35°43'09" West 71.88 feet along said Westerly right-of-way to the beginning of a 714.07 foot radius tangent curve concave Easterly whose chord bears South 17°39'40" West 442.69 feet; thence Southwesterly along said Westerly right-of-way curve an arc distance of 450.10 feet; thence South 00°23'49" East 39.87 feet to the center line of Hershey Avenue and the Point of the Beginning, said tract contains 6.988 acres

And

A tract of land lying in the Northwest Quarter of the Northwest Quarter of Section 3, and the Northeast Quarter of the Northeast Quarter of Section 4, all in Township 76 North, Range 2, West of the 5<sup>th</sup> Principal Meridian, in Muscatine County, Iowa described as follows:

Beginning at the Northwest corner of said Section 3; thence West 495 feet; thence South 1023.5 feet; thence South 89°49' East 755 feet; thence North 76°51' East 303.5 feet; thence South 74°9' East 804.8 feet; thence North 1294.8 feet to section line; hence West 1320 feet to

the place of beginning, containing 47.13 acres, more or less. Except part thereof conveyed to City of Muscatine, Iowa by Warranty Deed recorded in Book 246 of Lots, page 736, of the records in the Office of the Recorder of Muscatine, County, Iowa.

#### **SALE PROCEDURES:**

**Sealed Bids.** On or before 9:59 a.m. on April 25, 2023, each bidder shall submit a written bid in a sealed envelope containing a certified check or a cashier's check in the amount of \$1,000 payable to the City of Muscatine, Iowa, and the name of the bidder identified on the outside of the envelope. The **minimum** acceptable bid for this property shall be \$65,000. The bidder shall also include a plan and schedule for the development of the property, including the intended use and timeframe in much detail as is possible.

**Live Auction.** Starting at 10:00 A.M. April 25, 2023, the bids will be opened. Starting with the lowest bidder, each bidder will be given the opportunity to successively raise his/her/its bid in an amount which is higher than the current highest bid in increments of not less than \$1,000.00. This procedure will continue until the highest bid is obtained. Failure to bid in any given round will not prevent a bidder from re-entering the bidding process at a later time. Unsuccessful bidder's checks will be returned when the auction has been completed.

**Purchase Agreement.** The highest bidder will be required to execute a purchase agreement, subject to City Council approval on or about May 4, 2023, and which shall list the sale price, provide a closing date, and include reference to the planned development of the property, including the intended use and timing which was submitted with the bid.

**Possession and Title.** Possession will be given at closing. Title will be transferred by Special Warranty Deed. A standard groundwater hazard statement will be provided at the time of closing.

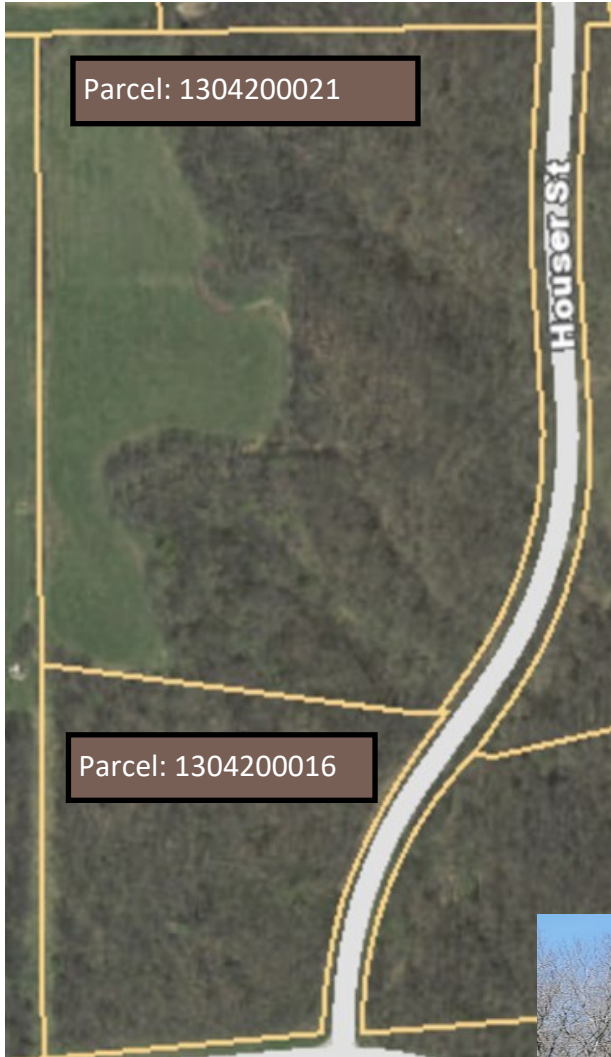
The proposed purchase agreement and terms of sale are subject to City Council review and acceptance. **The City reserves the right to reject all bids and to reject the proposed purchase agreement.**

Inquires may be made to Andrew Fangman, Assistant Community Development Director (563-262-4141), or April Limburg, City Planner (563-262-4141), City Hall, 215 Sycamore Street, Muscatine, IA 52761.



# City-Owned Parcel for Sale

Parcel Identification Number: 1304200021 (Corner of Hershey Avenue and Houser Street) and 1304200016 (Corner of Hershey Avenue and Houser Street)



## Land Information

**Parcel: 1304200021**

Zoning:

R3-Single Family Residence

Lot Area:

19.61 Acres; 854,212 SF

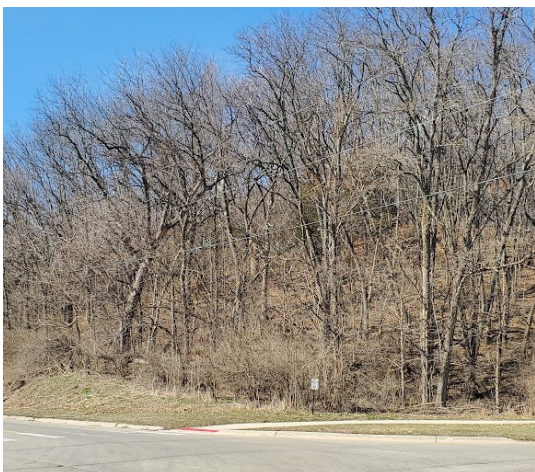
**Parcel: 1304200016**

Zoning:

R3– Single Family Residence

Lot Area:

7.02 Acres; 305,791 SF



## Contact

## Information

April Limburg

City Planner

City of Muscatine

563-262-4141